

Area Community Services Employment and Training Council

Grand Rapids, Michigan

Financial Statements and Supplementary
Information

Year ended June 30, 2022



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Area Community Services Employment & Training Council

Year Ended June 30, 2022

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Independent Auditor's Report

To the Council Governing Board
Area Community Services Employment & Training Council
Grand Rapids, Michigan

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the Area Community Services Employment & Training Council (the "Council"), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Council's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of of the Area Community Services Employment & Training Council as of June 30, 2022, and respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Area Community Services Employment & Training Council and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unmodified audit opinions.

Emphasis of Matter

Change in Accounting Principle

As described in Note 1 to the financial statements, the Council adopted a new accounting guidance, GASB Statement No. 87, Leases. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP), and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Area Community Services Employment & Training Council's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Area Community Services Employment & Training Council's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Area Community Services Employment & Training Council's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that a management's discussion and analysis and the budgetary comparison information as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that comprise Area Community Services Employment & Training Council basic financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 17, 2023 on our consideration of the Council's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Area Community Services Employment & Training Council's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Council's internal control over financial reporting and compliance.



Wipfli LLP

Madison, Wisconsin

February 17, 2023

Area Community Services Employment & Training Council

Management's Discussion and Analysis

As management of the Area Community Services Employment and Training Council (the "Council"), we offer readers of this narrative an overview and analysis of the financial activities of the Council for the fiscal year ending June 30, 2022. We encourage readers to consider the information presented here in conjunction with additional information that is furnished in the financial statements and notes to the financial statements.

West Michigan Works! Highlights

As a demand-driven system, West Michigan Works! (WMW) convenes employers within industry sectors to identify and address common workforce needs. Together with employers, educators, economic development and community partners, current and future talent gaps are being addressed.

Business Solutions

WMW has successfully integrated registered apprenticeships (RAs) and work-based learning strategies into their overall organizational strategy. The development of workforce-sponsored RAs has led to increased engagement and growth within the industry talent councils, allowed for increased recruitment of underrepresented populations (which has also supported the marketing and promotion of local one-stop centers), and moved WMW from case management to a career coaching system.

WMW currently sponsors 33 U.S. Department of Labor Registered Apprenticeship (RA) occupations in four industry sectors; health care, advanced manufacturing, information technology, and construction. Over the last year, 19 new employers signed onto WMW's apprenticeship standards, bringing the total number of employers supported and participating in the WMW-sponsored RA programs to 97 employers. WMW added 77 new apprentices under our standards and completed 22 apprentices this program year. A total of 237 registered apprentices have successfully completed their programs and another 149 apprentices are actively participating in WMW-sponsored programs.

Through a variety of state and federal programs, and in partnership with regional economic development agencies and educational institutions, WMW provided access to training funds to help develop a strong, skilled, and educated workforce. For the FY2022 Going PRO Talent Fund (GPTF) grant period, 297 West Michigan employers were awarded \$13.3 million to train 8,664 individuals (498 apprentices, 4,024 classroom trainings, and 4,142 on-the-job trainings) through the GPTF. WMW issued 32 on-the-job training and subsidized employment contracts, and 113 incumbent worker training contracts. Recruitment services continued through the pandemic: the business solutions department posted and recruited for an average of 1,930 open positions per month. WMW serves as the convener and backbone support of five employer-led industry Talent Councils that work collaboratively to develop solutions to address talent, curriculum, and workforce advocacy issues:

- Agribusiness Talent Council of West Michigan (est. 2019)
- Construction Careers Council (est. 2021)
- Discover Manufacturing (est. 2014)
- West Michigan Health Careers Council (est. 2015)
- West Michigan Tech Talent (est. 2015)

Area Community Services Employment & Training Council

Management's Discussion and Analysis

Industry Talent councils are comprised of employers, economic and workforce development organizations, and educators who seek additional input from training providers, non-profit organizations, industry employer peers, and community-based organizations. Total ITC membership includes nearly 40 unique employers that participate directly on the councils. An additional 250 unique employers participated in projects developed and implemented by the councils. With the creation of new innovative programs over the last year, WMW! Expects over 400 unique employers to participate in council projects during the FY22-23. WMW! ITCs are viewed as a state and national best practice, highlighted with a presentation on how to sustain an employer led collaborative at the 2022 Michigan Works Association Conference.

Talent Solutions

In the 2021-2022 program year, WMW staff fully implemented a hybrid service delivery model, providing in-person appointments when job seekers are able and would benefit, but keeping virtual options open to reach a broader and more diverse population of job seekers. This adaptation also allows individuals who are referred from the Unemployment Insurance Agency (UIA) to schedule and reschedule a meeting time that works best for them through our WMW website, online access to WorkReady Workshops, and remote career coaching sessions.

WMW continued to innovate and offer quality services in accessible ways. WMW offered its core programming, such as its Partnership, Accountability, Training, Hope (Path) welfare employment and training program and the Workforce Innovation and Opportunity Act, as well as innovative programs that have been developed in recent years, such as Michigan Rural Enhanced Access to Careers in Healthcare (MiREACH), Michigan Learning & Educational Advancement Program (MILEAP), Learn Earn and Provide (LEAP), and One Workforce in partnership with Grand Rapids Community College and its WorkReady certification programming.

WMW implemented Clean Slate services, assisting individuals in expunging their criminal histories and providing increased access to employment and earnings. Funded by the State of Michigan, these services provide support service funds to assist with expungement-related activities, such as fingerprinting, background checks, fees for court records, and legal services. As we move closer to the end of this pilot and the beginning of automatic expungements (April 2023), WMW has transitioned to providing waiting job seekers with an opportunity to meet with an experienced attorney for consulting on next steps that best fit their individual needs.

Development and Innovation

The WMW Retention Solutions Network, a business resource network, finished the year with 8 network members. Within this network, we provided 1,521 success coach hours to help 619 employees address 735 barriers so they could remain productive and employed. The RSN went through a period of stability and strategic planning this year with a focus on sustained growth moving into the next year.

MiCareerQuest™, a unique, hands-on career-exploration event. In 2022, MiCareerQuest™ pivoted to MiCareerConversations, a virtual program that brought industry professionals from 5 different sectors into classrooms around the region. Overall, MiCareerConversations 30 different professionals to 11 different schools and 500 students. After 3 years of virtual programming, we are happy to have begun planning and coordination for MiCareerQuest™ 2023

Area Community Services Employment & Training Council

Management's Discussion and Analysis

WMW provides solutions-driven workshops to jobseekers under the Talent Development program. Talent Development workshops, which wrap into our service centers and into various partner locations, offer virtual and in-person options for jobseekers to develop their job search skills. Our core programming includes workshops such as resume-writing instruction and interviewing skills instruction. We also offer a soft-skills credential, complete with workshops and a pre- and post-assessment, called WorkReady. The WorkReady program provides employer-identified soft-skills training including teamwork, decisiveness, and communication, to name a few.

WMW's Youth Solutions program has rebranded; it is now Ascend Youth Services. In coordination with the rebrand, Ascend now represents a regional approach to youth programming. Ascend continued to utilize multiple funding sources to provide substantive opportunities to opportunity youth with a focus on individuals between the ages of 16 and 24. These opportunities included a robust summer work experience and exploration program, which consisted of both in-person and virtual opportunities. Ascend also partnered with the City of Grand Rapids to provide back-end support to the GRow 1000 summer work experience project. Ascend also continues a robust partnership with Jobs for Michigan Graduates and continues to provide innovative work readiness experiences to youth around the region.

Continuing its work on the CareerPoint model, a process that both helps and provides tools for career coaches to create individual career pathway plans, WMW partnered with Grand Rapids Community College to create both an in-person and online training program for career coaches. These trainings are in the pilot process within the West Michigan Works! System and will become a standard for career coaching for the organization.

Service Summary Impact

For the fiscal year 2022, WMW served 2,836 employers, 39,482 job seekers, filing 9,695 jobs with a total of \$1.08 Billion in wages earned.

FINANCIAL HIGHLIGHTS

The Council's total revenue reflects an increase of \$10,480,843 in the fiscal year ending June 30, 2022 compared to the fiscal year ending June 30, 2021. This increase in revenue is a result of a increase in operating grants and contributions in the current year. The increase in the Council's funding award/utilization is primarily the result of significant funding award increases in the Going Pro Talent Fund program.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Council's basic financial statements. The Council's basic financial statements comprise three components: (1) government-wide financial statements (2) fund financial statements, and (3) notes to the basic financial statements. This report also contains required supplementary and other supplementary information in addition to the basic financial statements themselves.

Area Community Services Employment & Training Council

Management's Discussion and Analysis

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Council's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Council's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Council is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods, (e.g., earned but unused compensated absences, accrued interest, etc.).

The government-wide financial statements include only the Council itself (known as the primary government). The Council has no legally separate component units for which it is financially accountable.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Council, like state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Council can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Council maintains one governmental fund (the General Fund). Information is presented in the general fund balance sheet and in the general fund statement of revenues, expenditures, and changes in fund balances for the Council. The general fund is a major fund for financial reporting purposes as defined by generally accepted accounting principles.

The Council adopts an annual appropriated budget for the general fund. A budgetary comparison schedule has been provided herein to demonstrate compliance with this budget.

Area Community Services Employment & Training Council

Management's Discussion and Analysis

Fund Financial Statements (Continued)

Proprietary funds. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Internal service funds, a type of proprietary fund, are accounting devices used to accumulate and allocate costs internally among the Council's various functions. The Council utilizes an internal service fund to account for its compensated absences. Because these services primarily benefit the Council's governmental functions, they have been included within the governmental activities in the government-wide financial statements. The internal service fund statement provides the same type of information as the government-wide financial statements, only in more detail.

Notes to the Financial Statements

These provide additional information that is essential to gaining a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required and other supplementary information.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Council, assets exceeded liabilities by \$981,610 at the close of the most recent fiscal year. A summary of net position is as follows at June 30:

Statement of Net Position Governmental Activities

	2022	2021
Current and other assets	\$ 6,626,732	\$ 5,544,773
Capital and right of use assets	3,061,917	478,144
Total assets	9,688,649	6,022,917
Current liabilities	8,707,039	4,825,553
Net position		
Net investment in capital assets	266,893	478,144
Unrestricted	714,717	719,220
Total net position	\$ 981,610	\$ 1,197,364

Area Community Services Employment & Training Council

Management's Discussion and Analysis

A portion of the Council's net position reflects unrestricted net position which is available for future operations while a smaller portion of net position is invested in capital assets (e.g. vehicles and equipment) less any related debt used to acquire those assets that is still outstanding. The Council uses these capital assets to provide services; consequently, these assets are not available for future spending.

Governmental Activities

During the year, the Council invested \$32,618,024 (96.39%) of governmental activities expenses in Michigan Works! Programs. Administrative services and unallocated depreciation represent 0.11% and 3.50% of governmental activities expenses, respectively.

Net position of the Council, which consists only of governmental activities, decreased by \$215,754 as a result of operations. A summary of the changes in net position is as follows:

Changes in Net Position Governmental Activities

	2022	2021
Revenues:		
Program revenues:		
Operating grants and contributions	\$ 33,467,058	\$ 23,040,445
Charges for services	157,588	102,167
General revenues:		
Unrestricted investment earnings	161	1,352
Total revenues	33,624,807	23,143,964
Expenses:		
Michigan Works! programs	32,618,024	22,975,214
Administrative services	39,351	34,277
Unallocated depreciation	1,183,186	230,582
Total expenses	33,840,561	23,240,073
Change in net position	(215,754)	(96,109)
Net position, beginning of year	1,197,364	1,293,473
Net position, end of year	\$ 981,610	\$ 1,197,364

Financial Analysis of the Government's Funds

The Council uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Area Community Services Employment & Training Council

Management's Discussion and Analysis

Budgetary Highlights

Over the course of the fiscal year, the Council made necessary budget adjustments to reflect current year activities. The total expenditure budget had a favorable variance of \$106,229 primarily due to favorable budget variances in operating cost and subcontracted program costs.

Governmental funds. The focus of the Council’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Council’s financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year. As of the end of the current fiscal year, the Council’s general fund reported ending fund balance of \$664,937, an increase of \$4,516 over the prior year.

Capital Assets and Debt Administration

Capital Assets

The Council’s investment in capital assets for its governmental activities as of June 30, 2022, amounted to \$344,528 (net of accumulated depreciation).

Office equipment	\$	132,852
Furniture and fixtures		25,222
Software		70,457
Vehicles		115,997
<hr/>		
Total	\$	344,528

Additional information on the Council’s capital assets can be found in note 4 to the financial statements.

Debt

The Council does have a \$325,000 line of credit available to cover temporary operating shortfalls if needed. The line of credit was not used during the year ended June 30, 2022.

Contacting the Area Community Services Employment and Training Council's Management

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the Council’s finances and to demonstrate the Council’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Robert Perkins, Chief Financial Officer, at 215 Straight Ave NW, Grand Rapids, Michigan 49504.

Area Community Services Employment & Training Council

Statement of Net Position

June 30, 2022

Assets

Cash	\$ 2,058,921
Accounts receivable	4,177,292
Deposits	49,780
Prepaid expenses	340,739
Capital assets, net of accumulated depreciation	344,528
Right of use assets, net of accumulated depreciation	2,717,389

Total assets	9,688,649
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Liabilities

Accounts and subcontractor payables	1,329,778
Accrued liabilities	3,263,374
Unearned revenue	242,583
Accrued compensated absences	1,076,280
Lease liability	2,795,024

Total liabilities	8,707,039
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Net position

Net investment in capital assets	266,893
Unrestricted	714,717

Total net position	\$ 981,610
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Area Community Services Employment & Training Council

Statement of Activities

<i>Year Ended June 30, 2022</i>	Expenses	Program Revenues		Total Governmental Activities
		Charges for Services	Operating Grants and Contributions	
Governmental activities:				
Michigan Works! programs	\$ 32,618,024	\$ 123,534	\$ 33,467,058	\$ 972,568
Unrestricted activities	39,351	34,054	-	(5,297)
Unallocated depreciation	1,183,186	-	-	(1,183,186)
Total governmental activities	33,840,561	157,588	33,467,058	(215,915)
General revenues:				
Unrestricted investment earnings				161
Total general revenues				161
Change in net position				(215,754)
Net position, beginning of year				1,197,364
Net position, ending				\$ 981,610

Area Community Services Employment & Training Council

Balance Sheet - Governmental Fund

June 30, 2022

Assets

Cash	\$	982,641
Accounts receivable		4,177,292
Prepaid expenses		340,739

Total assets		5,500,672
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Liabilities, and fund balances

Liabilities

Accounts payable		1,329,778
Accrued liabilities		3,263,374
Unearned revenue		242,583

Total liabilities		4,835,735
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Fund balance

Nonspendable		340,739
Unassigned		324,198

Total fund balance		664,937
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Total liabilities and fund balance	\$	5,500,672
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See accompanying notes to financial statements.

Area Community Services Employment & Training Council

Reconciliation of the Balance Sheet of Governmental Fund to the Statement of Net Position

June 30, 2022

Total fund balances - governmental funds	\$	664,937
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the fund statements. Amounts reported for governmental activities in the statement of net position are:

Governmental capital assets	1,771,580	
Governmental accumulated depreciation	<u>(1,427,052)</u>	
		344,528

Right of use assets used in governmental activities are not financial resources and, therefore, are not reported in the fund statements. Amounts reported for governmental activities in the statement of net position are:

Right of use assets	3,712,875	
Right of use, accumulated depreciation	<u>(995,486)</u>	
		2,717,389

Security deposits held by the Council's landlords are not financial resources and therefore are not reported as assets in the governmental fund		49,780
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Some liabilities are not included in the fund financial statement, but are included in the governmental activities of the statement of net position are:

Lease liability		<u>(2,795,024)</u>
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Total net position - governmental activities	\$	981,610
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See accompanying notes to financial statements.

Area Community Services Employment & Training Council

Statement of Revenues, Expenditures and Changes In Fund Balance - Governmental Fund

Year Ended June 30, 2022

Revenues

Grant Revenue	\$ 33,467,058
Other Income	157,588
Interest Income	58

Total revenues	33,624,704
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Expenditures

Current:

Salaries and Wages	10,775,607
Fringe Benefits	3,847,407
Consumables	1,188,251
Transportation	82,763
Outside services	1,206,954
Space and Communications	1,746,158
Equipment rent and Maintenance	64,666
Equipment Purchases	182,920
Other Expenditures	562,494
Subrecipient Program Costs	666,490
Direct Client Services/Training	13,303,006

Total expenditures	33,626,716
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Excess (deficiency) of revenues over expenditures	(2,012)
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Net change in fund balance	(2,012)
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Fund balances, beginning of year	666,949
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Fund balances, end of year	\$ 664,937
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See accompanying notes to financial statements.

Area Community Services Employment & Training Council

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Fund to the Statement of Activities

Year Ended June 30, 2022

Net change in fund balance - governmental funds \$ (2,012)

Amounts reported for governmental activities in the statement of net position are different because:

The acquisition of capital assets are reported in the governmental funds as expenditures. However, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities.

Capital outlay reported in governmental fund statements	54,879	
Capital asset depreciation expense and loss on disposal reported in the statement of activities	(186,906)	
Right of use assets depreciation reported in the statement of activities	<u>(995,486)</u>	
Excess of depreciation expense over capital outlay		(1,127,513)

Changes in the amount of security deposits held by the Council's landlords are not current period expenses and are not recognized in the governmental fund. (4,080)

Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds

Lease Liability		917,851
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Change in net position of governmental activities		\$ (215,754)
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See accompanying notes to financial statements.

Area Community Services Employment & Training Council

Statement of Net Position - Compensated Absences Internal Service Fund

June 30, 2022

Assets

Cash	\$ 1,076,280
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Total assets	1,076,280
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Liabilities

Accrued compensated absences	1,076,280
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Total liabilities	1,076,280
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Net position

Total net position	\$ -
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See accompanying notes to financial statements.

Area Community Services Employment & Training Council
Statement of Revenues, Expenses and Changes In Net Position -
Compensated Absences Internal Service Fund

Year Ended June 30, 2022

Revenue	
Charges for services	\$ 1,530,829
Interest income	103
Total operating revenues	1,530,932
Expenditures	
Employee benefits	1,530,932
Total operating expenses	1,530,932
Changes in net position	-
Net position, beginning of year	-
Net position, end of year	\$ -

See accompanying notes to financial statements.

Area Community Services Employment & Training Council

Statement of Cash Flows - Compensated Absences Internal Service Fund

Year Ended June 30, 2022

Cash flows from operating activities:	
Cash receipts from interfund services provided	\$ 1,530,829
Cash payments from employees	(1,503,797)
Net cash used in operating activities	27,032
Cash flows from investing activities:	
Interest income received	103
Net cash provided by investing activities	103
Net increase (decrease) in cash and cash equivalents	27,135
Cash and cash equivalents, beginning of year	1,049,145
Cash and cash equivalents, end of year	\$ 1,076,280

See accompanying notes to financial statements.

Area Community Services Employment & Training Council

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies

Area Community Services Employment and Training Council (the “Council”) was formed in October 1985, through an Interlocal Agreement between Kent County and the City of Grand Rapids pursuant to the Michigan Urban Cooperation Act of 1967. The Interlocal Agreement was amended on July 1, 1996 to include Allegan County, October 1, 2014 to include Barry County, and October 1, 2015 to include Ionia County, Montcalm County, Muskegon County, and Ottawa County. The Council was established to serve as the primary advocate for the reduction of causes, conditions, and effects of poverty, providing social and economic opportunities that foster self-sufficiency for low-income persons, administer programs to prepare youth and unskilled adults for entry into the labor force, and to afford job training to those economically disadvantaged individuals and other persons facing serious barriers to employment who are in need of such services.

Accordingly, the Council is designated for Kent, Allegan, Barry, Ionia, Montcalm, Muskegon, and Ottawa Counties as the grant recipient/administrative entity, pursuant to the Workforce Innovation and Opportunity Act. The Council is primarily supported through federal and state government grants. Approximately 73% of the total funding is federal pass-through funds received from the Department of Labor and Economic Opportunity - State of Michigan.

The financial statements of the Council have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) as applied to governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting principles and policies utilized by the Council are described below.

Adoption of GASB Pronouncement

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, Leases. The statement enhances the relevance and consistency of reporting for the ACSET leasing activities by establishing requirements for lease accounting based on the principle that leases are financings of underlying right-to-use assets. A lessee is required to recognize a lease liability and intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and deferred inflow of resources. ACSET adopted this guidance retroactively for the year beginning July 01, 2021. The adoption of this guidance did not affect beginning net position for the year ended June 30, 2021 and, accordingly, restatement of beginning July 01, 2021 net position was not necessary.

Upcoming Accounting Pronouncements

In May 2020, the GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangement*. The statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset - an intangible asset - and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended. The Council is currently evaluating the impact this standard will have on the financial statements when adopted during the 2022-2023 fiscal year.

Area Community Services Employment & Training Council

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Reporting Entity

This report includes all of the funds of the Council. The reporting entity for the Council consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that their exclusion would cause the reporting entity's financial statements to be misleading or incomplete. A legally separate organization should be reported as a component unit if the elected officials of the primary government are financially accountable to the organization. The primary government is financially accountable if it appoints a voting majority of the organization's governing body and (1) it is able to impose its will on that organization or (2) there is a potential for the organization to provide specific financial benefits to or burdens on the primary government. The primary government may be financially accountable if an organization is fiscally dependent on the primary government.

A legally separate, tax-exempt organization should be reported as a component unit of a reporting entity if all of the following criteria are met: (1) the economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government, its component units, or its constituents; (2) the primary government is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the separate organization; (3) the economic resources received or held by an individual organization that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government. This report does not contain any component units.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. The Council had no business-type activities for the year ended June 30, 2022.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Interest income and other items properly not included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental and proprietary funds.

Area Community Services Employment & Training Council

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period or within one year for expenditure driven grants. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, accrued employee benefit expenditures are recorded only when payment is due.

Expenditure-driven grant revenue and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the Council.

The Council reports the following major governmental fund:

The General Fund is the Council's primary operating fund. It is used to account for all activities of the Council financed through federal, state, and local grant program sources.

Additionally, the government reports the following fund type:

The Internal Service Fund is used to report assets held by the Council to satisfy its obligation for compensated absences of its employees.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include unrestricted grants and interest income.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenue of the internal service fund is charges to other funds for employee benefits. Operating expenses for the internal service fund are comprised of compensated absences. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

If/when both restricted and unrestricted resources are available for use, it is the Council's policy to use restricted resources first, then unrestricted as they are needed.

Area Community Services Employment & Training Council

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Budgets and Budgetary Accounting

Budgets are adopted for the general fund on a basis consistent with generally accepted accounting principles (GAAP). The budget is adopted annually before July 1.

Cash and Cash Equivalents

The Council's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. State statutes authorize the Council to deposit in the account of federally insured banks, credit unions, and savings and loan associations, and to invest in obligations of the U.S. Treasury, certain commercial paper, repurchase agreements, banker's acceptances, and mutual funds composed of otherwise legal investments.

Grants and Other Receivables

Grants and other receivables include amounts billed or billable to grantors, net of an allowance for uncollectible amounts. Management establishes an allowance for losses based on specific situations and grant terms and conditions. Losses are written off to the allowance account when management determines that further collection efforts will not produce additional recoveries. As of June 30, 2022, no allowance was necessary.

Prepaid Expenses

Payments to vendors for services that will benefit periods beyond the Council's fiscal year-end are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include furniture, equipment, software, and vehicles, are reported in the financial statements. Capital assets are defined by the Council as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of capital assets is charged to an expense on the government-wide statement of activities as unallocated depreciation. Depreciation has been provided using the straight-line method over the estimated useful life of the asset, from 5 to 20 years.

Capital assets purchased with grant funds are owned by the Council while used in the program for which they were purchased or in other future authorized programs. However, the various funding sources have a reversionary interest in the capital assets purchased with grant funds. Their disposition, as well as the ownership of any proceeds therefrom, is subject to funding source regulations. The net book value of grant-funded capital assets included on the government-wide financial statements is \$344,528.

Area Community Services Employment & Training Council

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Accrued Compensated Absences

Council employees earn and accumulate vacation and sick leave in varying amounts based on hours worked and length of service. At termination, employees are entitled to receive payment for unused, accumulated vacation, sick, and compensated leave in accordance with established policies and formulas. Accordingly, the Council recognized the cost of compensated absences for vacation and sick leave when earned. Assets and the related liabilities are recorded in the Internal Service Fund.

Unearned Revenue

The unexpended balance of certain grant award amounts is carried forward as unearned revenue in the governmental fund and the Statement of Net Position until the period in which eligible expenditures are incurred.

Use of Estimates

The preparation of financial statements in accordance with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and the balance sheet, when applicable, will report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position/fund balance that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time.

In addition to liabilities, the statement of net position and the balance sheet, when applicable, will report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position/fund balance that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time.

The Council currently has no items that qualify for reporting in these categories.

Net Position and Fund Balance Reporting

Net position represents the difference between assets and deferred outflow of resources and liabilities and deferred inflow of resources in the government-wide financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation. Net position represents the difference between assets and liabilities in the government-wide financial statements. Net position invested in capital assets consist of capital assets, net of accumulated depreciation. Net positions are reported as restricted in the government-wide financial statements when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. No such restrictions exist as of June 30, 2022.

Area Community Services Employment & Training Council

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Net Position and Fund Balance Reporting (Continued)

When both restricted and unrestricted resources are available for use, it is the Council's policy to use externally restricted resources first.

In the fund financial statements, governmental funds report aggregate amounts for five classifications of fund balances based on the constraints imposed on the use of these resources.

Nonspendable fund balance: the related assets form does not allow expenditure of the balance. The assets are either (1) not in a spendable form or (2) legally or contractually required to be maintained intact. Nonspendable fund balance of \$340,739 at June 30, 2022 consists of prepaid expenses, which are not in spendable form.

Restricted fund balance: This classification reflects the constraints imposed on resources either (a) externally by creditors, grantors, contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation. Currently, the Council does not have any restricted fund balances.

Committed fund balance: These amounts can only be used for specific purposes pursuant to constraints imposed by formal resolutions by the Board of Directors. Those committed amounts cannot be used for any other purpose unless the Board of Directors removes the specified use by taking the same type of action that imposed the original commitment. This classification also includes contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements. Currently, the Council does not have any committed fund balances.

Assigned fund balance: This classification reflects the amounts constrained by the Board of Directors "intent" to be used for specific purposes but are neither restricted nor committed. The Board of Directors and management have the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining amounts (except negative balances) that are reported in governmental funds, other than the General Fund, that are not classified as nonspendable and are neither restricted nor committed. Currently, the Council does not have any assigned fund balances.

Unassigned fund balance: This fund balance is the residual classification for the General Fund. It is also used to report negative fund balances in other governmental funds.

Fund Balance can only be committed by resolution of the Council Board. The Chief Executive Officer is authorized to make fund balance assignments. When multiple net position/fund balance classifications are available for use it is the government's policy to utilize externally restricted resources first, then unrestricted resources - committed, assigned and unassigned - in order as needed.

Area Community Services Employment & Training Council

Notes to Financial Statements

Note 1: Summary of Significant Accounting Policies (Continued)

Cost Allocation

Joint costs are allocated to benefiting programs using various allocation methods, depending on the type of joint cost being allocated. Whenever possible, costs are allocated directly to each program. Joint costs are those costs incurred for the common benefit of all Council programs that cannot be readily identified with a final cost objective.

Subsequent Events

The Council has evaluated events and transactions for potential recognition or disclosure in the financial statements through February 17, 2023, which is the date the financial statements were available to be issued.

Note 2: Cash and Cash Equivalents

The Council maintains cash balances at two banks. Accounts at these local banks are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. Balances in excess of \$250,000 are not collaterally secured by the banks. Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Council will not be able to recover deposits that are in the possession of an outside party. As of June 30, 2022, \$1,934,089 of the Council's bank balance of \$2,430,291 was exposed to custodial credit risk because it was uninsured and uncollateralized. The carrying value on the books for deposits at the end of the year was \$2,058,921.

Deposits are comprised of the following at June 30, 2022:

Checking/savings accounts	\$ 491,754
Money markets	1,567,167
<hr/>	
Total	\$ 2,058,921

Note 3: Grants and other receivables

Grants and other receivables consists of amounts owed to the Council from other governmental entities. These consist of the following as of June 30, 2022:

Going pro	\$ 2,390,079
WIOA	588,413
TANF/PATH	312,096
Other programs	886,704
<hr/>	
Total	\$ 4,177,292

Area Community Services Employment & Training Council

Notes to Financial Statements

Note 4: Capital Assets and Right of Use Assets

Capital asset and right of use asset balances and activity for the year ended June 30, 2022, were as follows:

Governmental Activities:	Balance 06/30/21	Increases	Decreases and Transfers	Balance 06/30/22
Capital assets, being depreciated:				
Office equipment	\$ 1,036,245	\$ 32,685	\$ (67,693)	\$ 1,001,237
Furniture and fixtures	121,568	-	(5,100)	116,468
Software	227,022	-	-	227,022
Vehicles	404,658	22,194	-	426,852
Total capital assets, being depreciated	1,789,493	54,879	(72,793)	1,771,579
Less accumulated depreciation for				
Office equipment	(852,750)	(83,327)	67,693	(868,384)
Furniture and fixtures	(91,921)	(3,631)	4,305	(91,247)
Software	(118,941)	(37,624)	-	(156,565)
Vehicles	(247,737)	(63,118)	-	(310,855)
Total accumulated depreciation	(1,311,349)	(187,700)	71,998	(1,427,051)
Total capital assets, being depreciated, net	478,144	(132,821)	(795)	344,528
Governmental activities capital assets, net	478,144	(132,821)	(795)	344,528
	Balance 06/30/21	Increases	Decreases and Transfers	Balance 06/30/22
Right of use assets, being depreciated:				
Buildings	3,691,512	6,796	-	3,698,308
Vehicles	14,567	-	-	14,567
Total right of use assets, being depreciated	3,706,079	6,796	-	3,712,875
Less accumulated depreciation for				
Buildings	-	(988,815)	-	(988,815)
Vehicles	-	(6,671)	-	(6,671)
Total accumulated depreciation	-	(995,486)	-	(995,486)
Total right of use assets, being depreciated, net	\$ 3,706,079	\$ (988,690)	\$ -	\$ 2,717,389
Governmental right of use assets, net	3,706,079	(988,690)	-	2,717,389

Depreciation expense is not allocated in the government-wide statement of activities.

Area Community Services Employment & Training Council

Notes to Financial Statements

Note 5: Compensated Absences

Changes in compensated absences for the year ended June 30, 2022 are as follows:

	Balance 06/30/21	Additions	Deletions	Balance 06/30/22	Amounts Due Within One Year
Governmental activities					
Compensated absences	\$ 1,049,145	\$ 1,530,932	\$ (1,503,797)	\$ 1,076,280	\$ 1,076,280
Total	\$ 1,049,145	\$ 1,530,932	\$ (1,503,797)	\$ 1,076,280	\$ 1,076,280

Compensated absences payable are expected to be liquidated by the Internal Service Fund.

Note 6: Leases

	Balance 06/30/21	Additions	Deletions	Balance 06/30/22	Amounts Due Within One Year
Ionia Service Center	\$ 36,647	\$ -	\$ (24,100)	\$ 12,547	\$ 12,547
Fennville DDA Service Center	37,032	-	(9,160)	27,872	9,563
Zwei Burder	326,466	-	(29,872)	296,594	30,000
Saginaw Ionia	567,533	-	(8,344)	559,189	11,494
Rock Greenville Properties	290,366	-	(62,516)	227,850	65,045
County of Kent	792,241	-	(18,254)	773,987	15,994
Hinman Lake	874,464	-	(425,443)	449,021	449,021
Allegan County	114,897	-	(51,275)	63,622	55,811
New 40 Rector	531,535	-	(200,916)	330,619	216,033
Arbor Circle	93,433	-	(74,160)	19,273	19,273
Montcalm Care	26,925	-	(6,258)	20,667	8,455
North Kent Connect	-	6,769	(1,099)	5,670	3,328
Ford Explorer	14,567	-	(6,454)	8,113	6,828
Total	\$ 3,706,106	\$ 6,769	\$ (917,851)	\$ 2,795,024	\$ 903,392

The Terms and expiration of the Council's lease liability at June 30, 2022, follows;

Ionia Service Center - Office space lease agreement dated January 1, 2021 in the original principal amount of \$36,648 (from Implementation date), due in monthly installments of \$2,131, including imputed interest at 6.53%, through Dec 2022.

Fennville DDA Service Center - Office space leases agreement dated March 31, 2016 in the original principal amount of \$37,032 (From implementation date), due in monthly installments of \$925, including imputed interest at 6.53%, through March 2025.

Area Community Services Employment & Training Council

Notes to Financial Statements

Note 6: Leases (Continued)

Zwei Burder - Office space lease agreement dated April 1, 2020 in the original principal amount of \$326,466 (From implementation date), due in monthly installments of \$4,125, including imputed interest at 6.89%, through March 2030.

Saginaw Ionia - Office space lease agreement dated September 10, 2021 and rent commencing from January 01, 2022 in the original principal amount of \$567,533, due in monthly installments of \$4,079 annual increases of 3.00% for the first 6 years of the agreement and then 2.50% for the final 10 years, including imputed interest at 6.89%, through December 2037.

Rock Greenville Properties - Office space lease agreement dated July 10, 2020 in the original principal amount of \$290,366 (From implementation date), due in monthly installments of \$6,500, including imputed interest at 6.53%, through Sept 2025.

County of Kent- Office space lease agreement dated December 15, 2009 in the original principal amount of \$792,241 (From implementation date), due in monthly installments of \$5623, annually increasing 2.00%, including imputed interest at 6.89%, through May 2039.

Hinman Lake- Office space lease agreement dated August 01, 2016 in the original principal amount of \$874,464 (From implementation date), due in monthly installments of \$38,755, including imputed interest at 6.53%, through June 2023.

Allegan County- Office space lease agreement dated August 19, 2014 in the original principal amount of \$114,897 (From implementation date), due in monthly installments of \$3,852 annually increasing at 3%, including imputed interest at 6.53%, through Aug 2023.

New 40 Rector- Office space lease agreement dated January 01, 2021 in the original principal amount of \$531,535 (From implementation date), due in monthly installments of \$18,708, increasing 2.00% annually for the following years respectively, including imputed interest at 6.53%, through Dec 2023.

Arbor Circle- Office space lease agreement dated March 07, 2007 in the original principal amount of \$93,433 (From implementation date), due in monthly installments of \$6,000 annually increasing 2% since October 01, 2018, including imputed interest at 6.53%, through Sept 2022.

Montcalm Care- Office space lease agreement dated May 01, 2020 in the original principal amount of \$26,925 (From implementation date), due in monthly installments of \$640 upto September 30, 2022, and \$850 including imputed interest at 6.53%, through Sept 2024.

North Kent Connect- Office space lease agreement dated March 01, 2022 in the original principal amount of \$6,769 (From implementation date), due in monthly installments of \$300, including imputed interest at 6.53%, through Feb 2024.

Ford Explorer - Vehicle lease agreement dated September 05, 2020 in the original principal amount of \$14,567 (From implementation date), due in monthly installments of \$598, including imputed interest at 6.96%, through Sept 2023.

Area Community Services Employment & Training Council

Notes to Financial Statements

Note 6: Leases (Continued)

Minimum future lease payments under operating leases as of June 30, 2022, are as follows:

	Principal	Interest	Total
2023	\$ 903,392	\$ 160,980	\$ 1,064,372
2024	279,785	118,640	398,425
2025	156,681	105,818	262,499
2026	99,329	96,663	195,992
2027	88,799	90,666	179,465
2028-2032	477,567	351,953	829,520
2033-2037	590,457	180,094	770,551
2038-2042	199,014	12,266	211,280
Total	\$ 2,795,024	\$ 1,117,080	\$ 3,912,104

All leases include a provision that allows the Council to terminate the lease agreement if grant funds received from the state or federal government are terminated or reduced in a way that it is unable to maintain a comparable level of program services, or the lessor is determined by the U.S. Department of Labor to be restricted from receiving federal funds.

Note 7: Defined Contribution Plan

The Council provides retirement benefits to substantially all employees through a defined contribution money purchase retirement plan, which is administered by a mutual insurance company. Required contributions are equal to 14% of gross wages paid to participating employees (i.e., the employer contributes 7% and the employees contribute 7%) and all contributions are fully and immediately vested.

Employer and employee contributions to the plan for the year ended June 30, 2022 amounted to \$788,519 each.

Note 8: Deferred Compensation Plan

The Council offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all Council employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. All assets of the plan are held in trust for employees; as such, the plan assets and liabilities are not included in this report.

Area Community Services Employment & Training Council

Notes to Financial Statements

Note 9: Joint Venture

Joint ventures are independently constituted entities generally created by two or more governments for a specific purpose which are subject to joint control, in which the participating governments retain 1) an ongoing financial interest or 2) an ongoing financial responsibility.

Strategic Workforce Solutions is a nonprofit organization created in order to carry out and supplement similar functions of the Consortium within the framework of maintaining 501(c)(3) tax exempt status with the IRS. More specifically, Strategic Workforce Solutions will provide and administer separate programs and services that are outside the scope of the Consortium's core programming and services both within and outside of the Consortium's seven-county region. Strategic Workforce Solutions has a three member board.

Strategic Workforce Solutions is financed by grants and private donations and maintains separate accounts. The joint venture is not considered to part of the Consortium's reporting entity.

Note 10: Risk Management

The Council is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Council has purchased commercial insurance to cover these risks. The amount of coverage has not decreased nor has the amount of settlements exceeded coverage in the past three years.

Note 11: Contingencies

The Council has received numerous federal grants for specific purposes that are subject to review and audit by grantor agencies. Although no amounts have been claimed, such audits could lead to requests for repayment to the grantor agency for expenditures disallowed under the terms of the grant. The Council believes such disallowances, if any, will be immaterial.

The Council has available a \$325,000 line of credit with interest charged at the bank's prime rate plus 1.50%. The agreement expired March 8, 2022 and is unsecured. There was no outstanding balance at June 30, 2022 and the council is in the process of renewing the line of credit as of year end.

Required Supplementary Information

Area Community Services Employment & Training Council

Schedule A

Budgetary Comparison Schedule - General Fund

Year Ended June 30, 2022

	Budget Original	Budget Final	Actual	Amount Over (Under) Budget Final
Revenue:				
Grants and other	\$ 31,617,000	\$ 33,700,000	\$ 33,467,058	\$ (232,942)
Program income	20,000	20,000	157,588	137,588
Interest income	-	-	58	58
Total revenue	31,637,000	33,720,000	33,624,704	(95,296)
Expenditures:				
Operating costs:				
Wages	10,715,000	10,780,000	10,775,607	(4,393)
Fringe	3,633,000	3,850,000	3,847,407	(2,593)
Consumables	708,000	1,180,000	1,188,251	8,251
Transportation	160,000	83,000	82,763	(237)
Outside Services	915,000	1,281,000	1,206,954	(74,046)
Space and communications	1,729,000	1,779,000	1,746,158	(32,842)
Equipment rent & maintenance	55,000	65,000	64,666	(334)
Equipment purchases	147,000	183,000	182,920	(80)
Other expenses	486,000	563,000	562,494	(506)
Subcontracted program costs	819,000	996,000	666,490	(329,510)
Direct client services/training	12,270,000	12,960,000	13,303,006	343,006
Total expenditures	31,637,000	33,720,000	33,626,716	(93,284)
Excess of revenue over expenditures	-	-	(2,012)	(2,012)
Fund balance - Beginning of Year	666,949	666,949	666,949	-
Fund balance - End of Year	\$ 666,949	\$ 666,949	\$ 664,937	(\$ 2,012)

See Independent Auditor's Report

Other Supplementary Information

Area Community Services Employment & Training Council

Schedule B-1

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2022

Grantor/Pass-Through Grantor/ Program or Cluster Title	AL Number	Pass-Through Entity Identifying Number	Passed Through to Sub-recipients	Total Expenditures
U.S. DEPARTMENT OF AGRICULTURE				
SNAP Cluster				
Passed through The Department of Labor and Economic Opportunity - State of Michigan				
Food Assistance Employment & Training FY22	10.561	202121Q750342	-	130,464
Food Assistance Employment & Training FY21		202020Q8750342	-	57,961
Plus Program FY21		202019S251942	1,440	1,800
Plus Program FY22		202121S251942	24,228	30,285
Total Federal Expenditures SNAP Cluster AL #10.561			25,668	220,510
U.S. DEPARTMENT OF LABOR				
Passed through net.America				
RAP - Healthcare	17.201	1605C220C220C0012	-	18,009
Total Federal Expenditures AL #17.201			-	18,009
Employment Services Cluster				
Passed through The Department of Labor and Economic Opportunity - State of Michigan				
Wagner Peysler 7(A) MWA 7A	17.207	ES353502055A26	-	1,953,163
AY19 Wagner Peysler 7(A) Clean Slate Pilot		ES334001955A26	-	310,221
AY20 Wagner Peysler 7(A) MWA 7A		ES334001955A26	-	732,550
AY21 Wagne Peysler 7(B) IFA - MSFW		ES353502055A26	-	18,444
Total Federal Expenditures AL #17.207			-	3,014,378
Passed through The Department of Labor and Economic Opportunity - State of Michigan				
FY21 VETS Infrastructure Funding Agreements - PY21	17.801	DV357522155526	-	25,296
Total Federal Expenditures AL #17.801			-	25,296
Total Federal Expenditures Employment Services Cluster AL #17.207, 17.801			-	3,039,674
Passed through The Department of Labor and Economic Opportunity - State of Michigan				
AY22 Unemployment Insurance - PY22 IFA	17.225	UI356552155A26	-	67,810
CY19 RESEA 2019		UI328461960A26	-	13,973
CY20 RESEA 2020		UI328461960A26	-	148,458
CY21 RESEA 2021		UI359512160A26	-	26,785
Total Federal Expenditures AL #17.225			-	257,026
Passed through The Department of Labor and Economic Opportunity - State of Michigan				
Trade Adjustment Assistance - TAA AY19	17.245	TA326581955A26	-	116,330
Trade Adjustment Assistance - TAA AY20		TA344502055A26	-	334,124
Total Federal Expenditures AL #17.245			-	450,454
WIOA Cluster				
Passed through The Department of Labor and Economic Opportunity - State of Michigan				
Adult Program AY20	17.258	AA342361955A26	-	1,108,215
Adult Program AY21		AA363262155A26	-	2,742,863
Capacity Building		AA332361955A26	-	32,755
Career Ex Events		AA332361955A26	-	8,500
CRM		AA332361955A26	-	2,571
MICA 2.0 - Cycle I		AA321961855A26	-	298
Local Administration AY19		AA332361955A26	-	58
Local Administration AY20		AA363262155A26	-	218,133
Local Administration AY21		AA342361955A26	-	12,517
Integrated Education and Training (IET)		AA332361955A26	-	6,469
Summer Young Professionals 2021 Initiative		AA347752055A26	-	35,044
Summer Young Professionals 2022 Initiative		AA347752055A26	-	30,551
Total Federal Expenditures AL #17.258			-	4,197,974
Passed through The Department of Labor and Economic Opportunity - State of Michigan				
Youth Activities AY20	17.259	AA342361955A26	303,806	1,174,393
Youth Activities AY21		AA332361955A26	442,546	1,549,896
Youth Activities AY19		AA332361955A26	-	16,493
Capacity Building		AA332361955A26	-	34,682
Career Ex Events		AA332361955A26	-	9,000
CRM		AA332361955A26	-	2,723
MICA 2.0 - Cycle I		AA321961855A26	-	316
Local Administration AY19		AA332361955A26	-	62
Local Administration AY20		AA363262155A26	-	237,551
Local Administration AY21		AA342361955A26	-	13,561
Integrated Education and Training (IET)		AA332361955A26	-	7,045
Summer Young Professionals 2021 Initiative		AA347752055A26	-	37,964
Summer Young Professionals 2022 Initiative		AA347752055A26	-	33,097
Total Federal Expenditures AL #17.259			746,352	3,116,783

Area Community Services Employment & Training Council

Schedule B-2

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2021

Grantor/Pass-Through Grantor/ Program or Cluster Title	AL Number	Pass-Through Entity Identifying Number	Passed Through to Sub-recipients	Total Expenditures
U.S. DEPARTMENT OF LABOR (Continued)				
WIOA Cluster (Continued)				
Passed through The Department of Labor and Economic Opportunity - State of Michigan				
NEG TET - Retail Trade DW	17.278	DW325501860A26	-	33,000
Dislocated Worker AY19		AA342361955A26	-	198,188
Dislocated Worker AY20		AA363262155A26	-	994,797
Capacity Building		AA332361955A26	-	28,901
Career Ex Events		AA332361955A26	-	7,500
CRM		AA332361955A26	-	2,269
MICA 2.0 - Cycle I		AA321961855A26	-	263
Local Administration AY19		AA332361955A26	-	51
Local Administration AY20		AA363262155A26	-	191,594
Local Administration AY21		AA342361955A26	-	12,556
Integrated Education and Training (IET)		AA332361955A26	-	5,682
Summer Young Professionals 2021 Initiative		AA347752055A26	-	35,152
Summer Young Professionals 2022 Initiative		AA347752055A26	-	30,646
Total Federal Expenditures AL #17.278			-	1,540,599
Total Federal Expenditures WIOA Cluster AL #17.258, 17.259, 17.278			746,352	8,855,356
Passed through The Department of Labor and Economic Opportunity - State of Michigan				
MIREACH	17.268	HG359222160A26	-	35,854
Passed through Grand Rapids Community College				
One Workforce		17.268-H-1B	-	113,867
One Workforce		17.268-H-1B	-	135,635
Total Federal Expenditures AL #17.268			-	285,356
Passed through The Department of Labor and Economic Opportunity - State of Michigan				
DW NEG COVID-19 Recovery Project	17.277	DW349062060A26	-	217,437
Total Federal Expenditures AL #17.277			-	217,437
Passed through The Department of Labor and Economic Opportunity - State of Michigan				
2020 SAE MIRAIN	17.285	AP351172060A26	-	111,591
2020 SEA MIYARN		AP350832060A26	-	36,325
Going PRO Apprenticeship PY18		AP334931960A26	-	169,198
Passed through Michigan Chamber of Commerce Foundation				
SAE-MEWDC		SAE_2020_MEWDC	-	75,760
Total Federal Expenditures AL #17.285			-	392,874
TOTAL U.S. DEPARTMENT OF LABOR			746,352	13,516,186
U.S. DEPARTMENT OF EDUCATION				
Passed through The Department of Labor and Economic Opportunity - State of Michigan				
FY21 State Vocational Rehab Services - IFA	84.126	H126A200099	-	84,987
Total Federal Expenditures AL #84.126			-	84,987
Passed through The Department of Labor and Economic Opportunity - State of Michigan				
FY20 MI_LEAP	84.425G	V425G200035	-	219,736
Total Federal Expenditures AL #84.425G			-	219,736
TOTAL U.S. DEPARTMENT OF EDUCATION			-	304,723

Area Community Services Employment & Training Council

Schedule B-3

Schedule of Expenditures of Federal Awards

Year Ended June 30, 2022

Grantor/Pass-Through Grantor/ Program or Cluster Title	AL Number	Pass-Through Entity Identifying Number	Passed Through to Sub-recipients	Total Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through The Department of Labor and Economic Opportunity - State of Michigan				
TANF - PATH FY21	93.558	2001MITANF	-	2,117,623
TANF - PATH FY22		2201MITANF	-	4,879,461
TANF - Refugee FY21		2001MITANF	-	4,419
TANF - PATH Supportive Services FY21		211MITANF	-	25,392
TANF - PATH Supportive Services FY22		2201MITANF	-	177,955
Total Federal Expenditures AL #93.558			-	7,204,850
Passed through The Department of Labor and Economic Opportunity - State of Michigan				
FY21 LEAP PILOT	93.563	DHHS IAB	-	110,033
Total Federal Expenditures AL #93.674			-	110,033
Passed through The Department of Labor and Economic Opportunity - State of Michigan				
Chafee Foster Care-SYEP FY21	93.674	1901MICILP	-	10,321
Chafee Foster Care-SYEP FY22		1901MICILP	-	301
Total Federal Expenditures AL #93.674			-	10,622
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			-	7,325,505
TOTAL FEDERAL AWARD EXPENDITURES			772,020	21,366,924

See Independent Auditor's Report.

Area Community Services Employment & Training Council

Notes to Schedule of Expenditures of Federal Awards

Year Ended June 30, 2022

Note 1 - Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of Area Community Services Employment and Training Council and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S.Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in or used in the preparation of the basic financial statements, which are reconciled in Note 2.

Note 2 - Reconciliation to Schedule of Expenditures of Federal Awards

	Grants	Less: State and Local Revenue	Federal Award Expenditures
Primary Governmental Fund	\$ 33,467,058	(\$ 12,100,134)	\$ 21,366,924

Note 3 - Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Note 4 - Indirect Cost Rate

Area Community Services Employment and Training Council has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Council Governing Board
Area Community Services Employment & Training Council
Grand Rapids, Michigan

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Area Community Services Employment & Training Council, as of and for the year ended June 30, 2022 and the related notes to the financial statements, which collectively comprise the Area Community Services Employment & Training Council's basic financial statements, and have issued our report thereon dated February 17, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Area Community Services Employment & Training Council's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Area Community Services Employment & Training Council's internal control. Accordingly, we do not express an opinion on the effectiveness of the Area Community Services Employment & Training Council's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies in internal control, such that there is reasonable possibility that a material misstatement of the Area Community Services Employment & Training Council's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Area Community Services Employment & Training Council's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Area Community Services Employment & Training Council's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Area Community Services Employment & Training Council's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Wipfli LLP". The signature is written in a cursive, flowing style.

Wipfli LLP

Madison, Wisconsin

February 17, 2023

Independent Auditor's Report on Compliance for Each Major Federal Program and on Internal Control Over Compliance Required by the Uniform Guidance

To the Council Governing Board
Area Community Services Employment & Training Council
Grand Rapids, Michigan

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Area Community Services Employment & Training Council's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022. Area Community Services Employment & Training Council's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Area Community Services Employment & Training Council complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Area Community Services Employment & Training Council and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Area Community Services Employment & Training Council's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Area Community Services Employment & Training Council's federal programs.

Auditor's Responsibility for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Area Community Services Employment & Training Council's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Area Community Services Employment & Training Council's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Area Community Services Employment & Training Council's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Area Community Services Employment & Training Council's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Area Community Services Employment & Training Council's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over-compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Wipfli LLP

Wipfli LLP

Madison, Wisconsin

February 17, 2023

Area Community Services Employment & Training Council

Schedule of Findings and Questioned Costs

Year Ended June 30, 2022

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued on whether the financial statements were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ Yes X None Reported

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(ies) identified? _____ Yes X None Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Title 2 with CFR 200.516(a)? _____ Yes X No

Identification of major programs

<u>AL Number(s)</u>	<u>Federal Program or Cluster</u>
17.258, 17.259, 17.278	WIOA Cluster
17.207, 17.801	Employment Service Cluster
84.425G	Discretionary Grants: Remaining Workforce Preparation Grants

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000
 Auditee qualified as low-risk auditee? _____ X Yes _____ No

Section II - Financial Statement Findings

None

Section III - Federal Award Findings and Questioned Costs

None

Section IV - Summary Schedule of Prior Year Findings

None